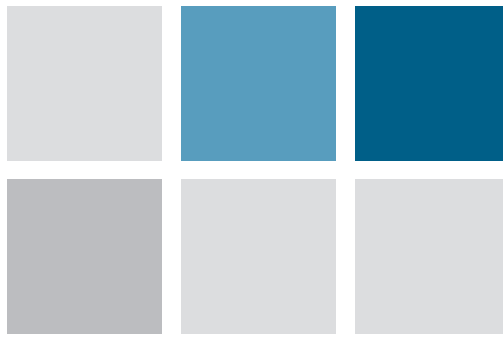


NAI BRANNEN GODDARD

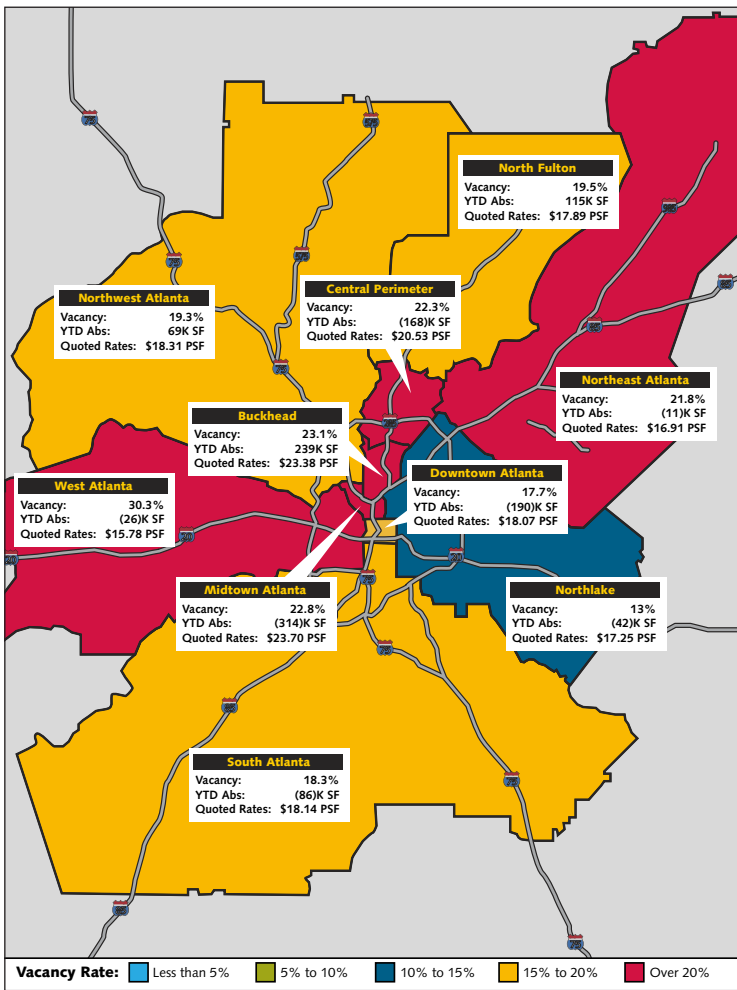
Atlanta Office Report | First Quarter 2011





1Q'11

ATLANTA OFFICE MARKET



LEASING HIGHLIGHTS

Select Markets by Vacancy Rate (YTD)

MARKET OVERVIEW

The Atlanta Office market ended the first quarter 2011 with a vacancy rate of 20.0%. This rate represents a slight increase over the year end 2010 rate of 19.8%. This increase occurred in a quarter where Atlanta saw (413,722) in negative net absorption and 141,345 SF (9 buildings) in new deliveries. Quoted rental rates ended the quarter at \$19.39 PSF, down from last quarter rate of \$19.64. Currently there is 232,222 SF of office product under construction in Metro Atlanta.

ECONOMIC OVERVIEW

Higher energy and food costs, falling home prices, cautious consumer sentiment, fiscal cutbacks at all levels of government, global disruptions, including the conflict in the Middle East and Japan's earthquake, continue to slow the nation's economic recovery.

UNEMPLOYMENT RATE MARCH 2011

National	8.8%
Georgia	10.0%
Atlanta MSA	9.8%

Economists noted that while healthcare remains one of the state's strong suits, particularly in Atlanta, manufacturing will continue to prosper because of a weak dollar that helps exports (which grew 22.3 percent in 2010), the presence of a container port in Savannah and a shift of industrial production to transportation, as exemplified by the Kia plant in West Point. Georgia is a place where a global company like Kia can get the resources it needs to grow.

MARKET INDICATORS



NAI Brannen Goddard

Commercial Real Estate Services, Worldwide.

404 812 4000 | fax 404 816 3939 | www.naibg.com

Suite 1100 | 5555 Glenridge Connector | Atlanta GA 30342

Information is deemed from reliable sources. No warranty is made as to its accuracy.

ATLANTA OFFICE MARKET // First Quarter 2011

VACANCY

The overall vacancy rate at the end of the first quarter 2011 is 20.0%, up from the previous quarter when it was 19.8%. The current rate represents over 41.1 million square feet of vacant office space throughout the Metro Atlanta Office market, a 1.44% increase from this time last year. The current amount of vacant sublease space is 2.4 million square feet.

NET ABSORPTION

At the close of the quarter, a negative net absorption of (413,722) SF was reported. Class A space in the Downtown submarket, recorded the largest net absorption of 241,881 SF, followed closely by Buckhead at 226,508 SF. The Downtown & Midtown Atlanta submarkets, Class B space, reported the largest negative net absorption at (382,285) SF and (367,914) SF respectively.

YTD NET ABSORPTIONS BY BUILDING TYPE

» CLASS A	838,054 SF
» CLASS B	(1,107,434) SF
» CLASS C	(144,342) SF
» YTD	(413,722) SF

CONSTRUCTION ACTIVITY

At the close of the quarter, the Atlanta Office market had 141,345 SF (9 buildings) in new construction deliveries. This compares to 150,500 SF in deliveries last quarter and over 1.9 million square feet this time last year.

Currently there is only 232,222 SF of new office projects under construction, a slight increase over the 173,856 SF that was underway this time last year. The largest project currently underway is the Cox Headquarters, Building B, a 90,000 SF building located in the Central Perimeter submarket.

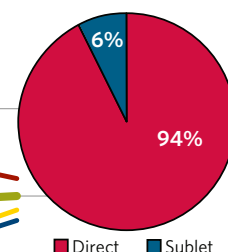
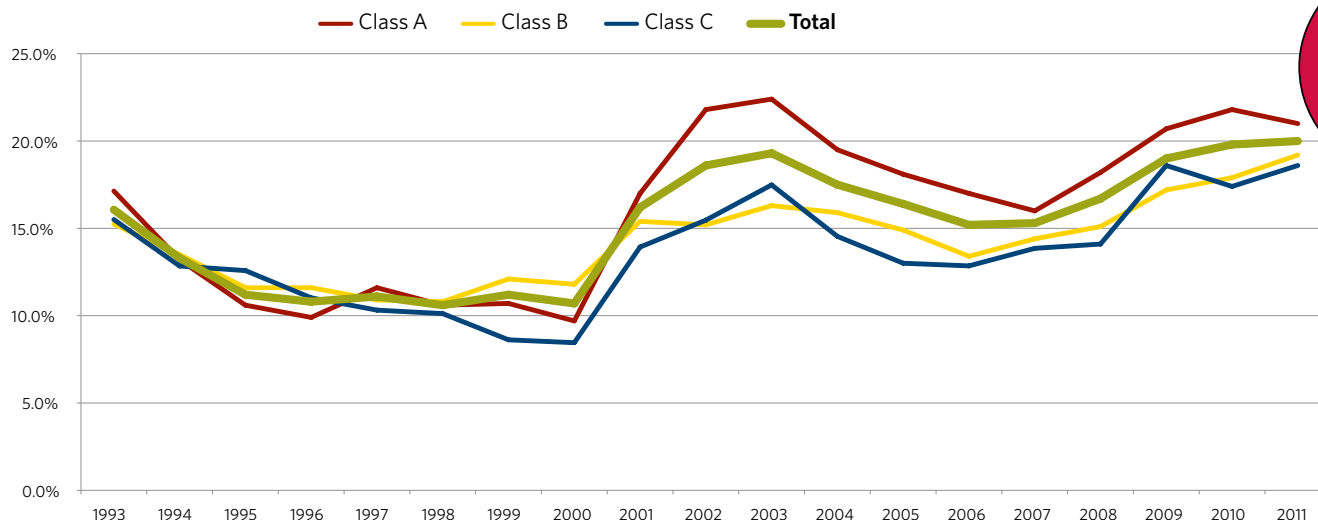
QUOTED RENTAL RATES

The current overall quoted Atlanta Office rental rate of \$19.39 PSF represented a \$0.25 PSF decrease in rental rates from the end of the previous quarter, when rents were \$19.64 PSF.

The Class A rental rates are reported at \$21.68 PSF with the highest rate reported in the West Atlanta submarket at \$25.34 PSF with Midtown Atlanta closely following at \$25.04 PSF.

Class B sector ended the quarter with quoted rental rates of \$16.50 PSF, which is \$0.25 PSF lower than last quarter and \$0.54 PSF lower than this time last year.

VACANCY RATES BY CLASS



MARKET HIGHLIGHTS

Significant First Quarter 2011 Lease Transactions (New & Renewal)

Building	Submarket	Square Feet	Tenant Name
One Atlantic Center	Midtown	155,856	Alston & Bird, LLP
12th & Midtown	Midtown	139,490	PricewaterhouseCoopers, LLP
Galleria 400	Cumberland	49,172	Ultimate Software Group
Decatur/Renaissance Center	Decatur	40,000	CCP Games
Centennial Tower	Downtown	36,236	Turner Broadcasting System

Significant First Quarter 2011 Construction Deliveries

Building	Submarket	Square Feet	Class
9115 Westside Parkway	North Fulton	60,000	B
605 Old Norcross Road	Northeast Atlanta	24,000	B
1887 Powder Springs Road	Northwest Atlanta	16,650	B
Peachtree Parkway Office Condo	North Fulton	9,600	B

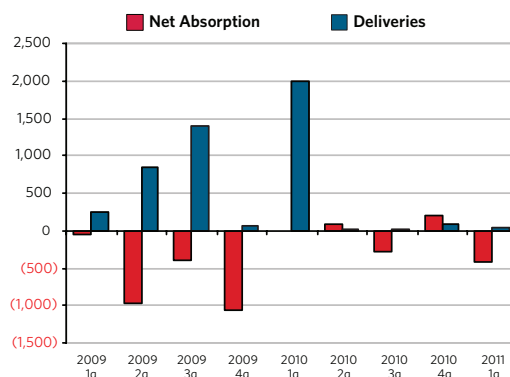
Significant First Quarter 2011 Properties Under Construction

Building	Submarket	Square Feet	Delivery
Cox Headquarters Bldg B	Central Perimeter	90,000	3Q 2011
Wahoo Creek Professional Park	South Atlanta	45,000	2Q 2011
Emory Eastside Medical Center	Northeast Atlanta	40,162	2Q 2011
Friendship Springs Bldg	Northeast Atlanta	24,000	1Q 2012
6670 Merchants Way	South Atlanta	14,454	3Q 2011

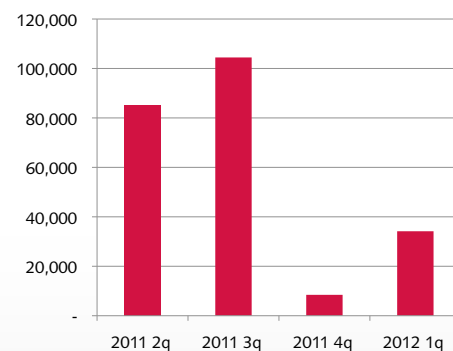
All Construction Activity (Markets Ranked by Under Construction Square Footage)

Market	Under Construction Inventory				Available SF
	# Bldgs	Total RBA	Preleased SF	Preleased %	
Central Perimeter	1	90,000	90,000	100.0%	0
Northeast Atlanta	3	71,296	48,631	68.2%	22,665
South Atlanta	3	62,900	17,900	28.5%	45,000
North Fulton	2	8,026	3,026	37.7%	5,000
Midtown Atlanta	0	0	0	0.0%	0
West Atlanta	0	0	0	0.0%	0
Buckhead	0	0	0	0.0%	0
Northwest Atlanta	0	0	0	0.0%	0
Downtown Atlanta	0	0	0	0.0%	0
Northlake	0	0	0	0.0%	0
Totals	9	232,222	159,557	68.7%	72,665

ABSORPTION & DELIVERIES

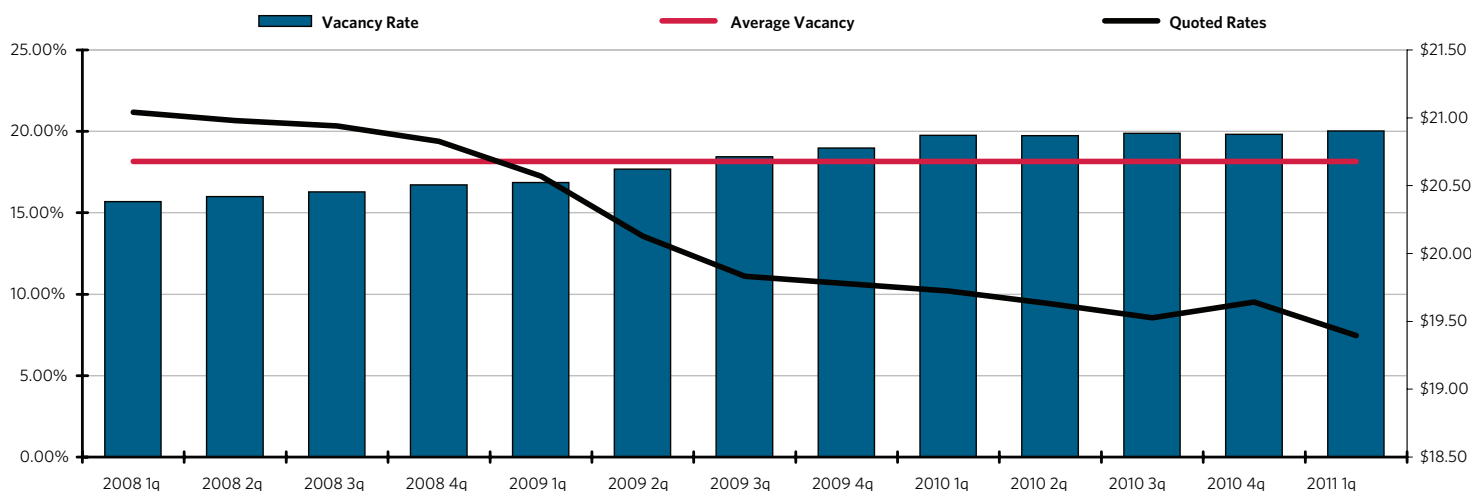


FUTURE DELIVERIES



©2011 NAI Brannen/Goddard, LLC. Data compiled from CoStar Group, Inc.

OVERALL VACANCY & QUOTED RATES



TOTAL ATLANTA OFFICE MARKET STATISTICS

FIRST QUARTER 2011

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Buckhead	116	19,663,794	4,267,475	265,626	4,533,101	23.1%	239,681	0	0	\$23.38
Central Perimeter	268	29,646,979	6,350,081	262,476	6,612,557	22.3%	(167,894)	0	90,000	\$20.53
Downtown Atlanta	146	24,677,383	4,092,190	285,095	4,377,285	17.7%	(189,963)	0	0	\$18.07
Midtown Atlanta	132	20,158,598	4,347,780	250,955	4,598,735	22.8%	(313,732)	0	0	\$23.70
North Fulton	332	24,160,499	4,151,942	554,551	4,706,493	19.5%	115,141	0	0	\$17.89
Northeast Atlanta	447	20,945,465	4,403,576	154,491	4,558,067	21.8%	(11,318)	24,000	64,162	\$16.91
Northlake	391	19,323,221	2,381,839	121,144	2,502,983	13.0%	(42,140)	0	0	\$17.25
Northwest Atlanta	464	32,908,128	5,887,386	470,702	6,358,088	19.3%	69,238	16,650	0	\$18.31
South Atlanta	269	11,020,507	1,946,537	67,053	2,013,590	18.3%	(86,358)	0	45,000	\$18.14
West Atlanta	56	2,981,616	904,514	0	904,514	30.3%	(26,377)	0	0	\$15.78
TOTALS	2,621	205,486,190	38,733,320	2,432,093	41,165,413	20.0%	(413,722)	40,650	199,162	\$19.39

CLASS "A" STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Buckhead	50	14,580,660	3,422,955	234,135	3,657,090	25.1%	226,508	0	0	\$24.52
Central Perimeter	78	20,266,270	3,770,193	164,401	3,934,594	19.4%	90,549	0	90,000	\$22.27
Downtown Atlanta	25	13,406,523	2,479,983	279,815	2,759,798	20.6%	241,881	0	0	\$19.33
Midtown Atlanta	34	14,412,304	3,231,808	203,451	3,435,259	23.8%	52,798	0	0	\$25.04
North Fulton	99	14,122,866	2,191,377	401,753	2,593,130	18.4%	129,667	0	0	\$19.55
Northeast Atlanta	61	6,310,888	1,433,277	33,010	1,466,287	23.2%	32,837	0	0	\$19.39
Northlake	21	2,651,153	420,880	4,777	425,657	16.1%	8,088	0	0	\$19.48
Northwest Atlanta	75	15,553,155	2,441,087	359,720	2,800,807	18.0%	47,004	0	0	\$20.67
South Atlanta	20	1,329,768	440,436	20,535	460,971	34.7%	8,722	0	45,000	\$21.03
West Atlanta	2	114,160	0	0	0	0.0%	0	0	0	\$25.34
TOTALS	465	102,747,747	19,831,996	1,701,597	21,533,593	21.0%	838,054	0	135,000	\$21.68

CLASS "B" STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Buckhead	42	4,514,507	823,480	31,491	854,971	18.9%	10,752	0	0	\$18.07
Central Perimeter	133	7,943,398	2,016,124	98,075	2,114,199	26.6%	(223,181)	0	0	\$18.31
Downtown Atlanta	69	8,310,020	1,156,900	5,280	1,162,180	14.0%	(382,285)	0	0	\$15.59
Midtown Atlanta	78	5,180,526	1,034,764	36,080	1,070,844	20.7%	(367,914)	0	0	\$17.93
North Fulton	210	9,401,986	1,892,430	146,265	2,038,695	21.7%	5,309	0	0	\$15.26
Northeast Atlanta	339	13,287,216	2,853,668	117,886	2,971,554	22.4%	(31,628)	24,000	64,162	\$15.16
Northlake	277	13,761,461	1,640,840	116,367	1,757,207	12.8%	(48,405)	0	0	\$17.02
Northwest Atlanta	329	15,166,195	3,227,982	110,982	3,338,964	22.0%	17,327	16,650	0	\$16.03
South Atlanta	194	7,990,714	1,143,985	46,518	1,190,503	14.9%	(92,376)	0	0	\$17.76
West Atlanta	33	1,266,804	166,036	0	166,036	13.1%	4,967	0	0	\$17.81
TOTALS	1,704	86,822,827	15,956,209	708,944	16,665,153	19.2%	(1,107,434)	40,650	64,162	\$16.50

CLASS "C" STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Buckhead	24	568,627	21,040	0	21,040	3.7%	2,421	0	0	\$16.83
Central Perimeter	57	1,437,311	563,764	0	563,764	39.2%	(35,262)	0	0	\$14.15
Downtown Atlanta	52	2,960,840	455,307	0	455,307	15.4%	(49,559)	0	0	\$13.82
Midtown Atlanta	20	565,768	81,208	11,424	92,632	16.4%	1,384	0	0	\$14.78
North Fulton	23	635,647	68,135	6,533	74,668	11.7%	(19,835)	0	0	\$14.83
Northeast Atlanta	47	1,347,361	116,631	3,595	120,226	8.9%	(12,527)	0	0	\$14.16
Northlake	93	2,910,607	320,119	0	320,119	11.0%	(1,823)	0	0	\$14.94
Northwest Atlanta	60	2,188,778	218,317	0	218,317	10.0%	4,907	0	0	\$13.90
South Atlanta	55	1,700,025	362,116	0	362,116	21.3%	(2,704)	0	0	\$13.44
West Atlanta	21	1,600,652	738,478	0	738,478	46.1%	(31,344)	0	0	\$13.04
TOTALS	452	15,915,616	2,945,115	21,552	2,966,667	18.6%	(144,342)	0	0	\$14.14

Source: CoStar Group, Inc.